IN THE SPECIFICATION

On page 1, please change the first paragraph to read as shown below.

Marked up original:

This application is a continuation-in-part of application number 08/999,245, filed December 10, 1997 and application number 09/358,969, filed July 22, 1999, now abandoned. both of which are incorporated herein by reference. The subject matter of this application is also related to the subject matter of U.S. Patent 5,615,109 for "Method of and System for Generating Feasible, Profit Maximizing Requisition Sets"". U.S. Patent 6,321,205 "Method of and System for Analyzing Business Improvement Programs", U.S. Patent 6,393,406 "Method of and System for Business Valuation" and U.S. Patent Application 09/421,553 filed October 20, 1999 the disclosures of which isare incorporated herein by reference.

On page 9, please change Table 1 to read as shown below.

Table 1

~~Segment~~Subset of ~~Enterprise~~ Value	Valuation methodology
• Excess Cash & Marketable Securities	Calculated value
~~• Market Sentiment~~	~~Market Value* – (COPTOT + ∑Real Option Values)~~
• Total Current-Operation Value (COPTOT):	Income Valuation
• Real options	Real option algorithms
• Market Sentiment	Market Value* – (COPTOT + ∑Real Option Values + Excess Cash & Marketable Securities)
Financial Assets: Cash & Marketable Securities (CASH)	GAAP
Financial Assets: Accounts Receivable (AR)	GAAP
Financial Assets: Inventory (IN)	GAAP
Financial Assets: Prepaid Expenses (PE)	GAAP
Financial Assets: Other Assets (OA)	Lower of GAAP or liquidation value
Elements of Value: Production Equipment (PEQ)	If calculated value> liquidation value, then use system calculated value, else use liquidation value
Elements of Value: Intangible Elements (IE): Customers	System calculated value
Employees	System calculated value
Vendor Relationships	System calculated value
Strategic Partnerships	System calculated value
Brand Names	System calculated value
Other Intangibles	System calculated value
Elements of Value: General Going Concern Value (GCV)	GCV = COPTOT - CASH - AR - IN - PE - PEQ – OA - IE
~~• Real options~~	~~Real option algorithms~~

* The user also has the option of specifying the total value

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Examiner: Clement B. Graham

On pages 10 and 11, please change the third paragraph on page 10, Table 3 on page 11 and the first paragraph on page 11 to read as shown below.

<u>Marked up original:</u>

~~One benefit of the novel system is that the market value of the enterprise is subdivided in to three distinct categories of value: financial assets, elements of value and real options. As shown in Table 3, these three value categories correspond to the three distinct "horizons" for management focus the McKinsey consultants reported on in The Alchemy of Growth.~~

<div align="center">

~~**Table 3**~~
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~~**System Value Categories**~~	~~**Three Horizons**~~
~~Financial Assets~~	~~Short Term~~
~~Elements of Value~~	~~Growth~~
~~Real Options~~	~~Options~~

~~The utility of the valuations produced by the system of the present invention are further enhanced by explicitly calculating the impact of the tangible and intangible elements of value on the real options being analyzed.~~